

EXHIBIT 11

MEMO TO: Mark Downey
cc: BUD Management Board

FROM:

DATE: 11/4/06

SUBJECT: October District Managers' Report

Jason Christian
IPB - District 43, South District
October 2006

I. CONTINENCE

A) Urethral Bulking

Per Hunt Graham: I sent an email to Dr. Secrest's assistant inquiring about his bulking usage @ Mississippi Baptist and this is her response. This is why my bulking # has dropped. I told you that I spoke with him and he told me that he liked Coaptite. I challenged him on his long, positive use of Contigen and he said he would see what results he got from Coaptite. I believe he should gradually come back to Contigen. The response: He is using Contigen for those patients with poor tissue. On average, about 1 case a week.

Dr. Secrest used to do about 5-6 cases a week with Contigen.

B) Slings/Surgical Continence

During field visits and my trip to AUGS I have been asking physicians what their experience has been with SECUR. Most have tried it and say they will try it some more. The curious point here is that NONE of them are talking results. I ask how it is working and they all say, "It's too early to tell." Which is a bunch of baloney because I guarantee if they had used our sling and the patient was three weeks out we'd know how she was doing. This is actually smart positioning/strategizing by Gynecare (or whatever they're called now). They know the success of the sling is highly dependent on technique; of which is going to improve as physicians use it. I'm sure they told physicians not to talk about success rates until later.

Amy Sharp did a nice job landing Dr. Terry, a female urologist with the large group in San Antonio; U.S.A. or Urology of San Antonio. Dr. Terry also completed her first Avaulta case last week with much success. She is using Uretex TO with it. Dr. Terry's scheduling person said that she averaged about 15 slings a month. I'll take it for about 6-7 right now and go from there; solid win for Amy and Bard.

C) Pelvic Reconstruction

During my time at AUGS I asked many physicians what they were hearing about 'kits' and what their personal feeling on the subject was. Most expressed genuine, conservative observations regarding kits and said they were taking a 'wait and see' approach. The comments, as you can imagine, ranged from 'they're awesome and this is where it's going' to 'I believe there will a class action law suit against the medical companies regarding the device'. Please contact me if you would like to know names. I do feel it is worth mentioning however, that even though most had the 'wait and see' attitude, some had tried a 'kit' of some kind and during the conversation you could just tell they knew deep down that this is where the procedure is going and that if they don't jump on board soon, they'll be left behind.

Some of the more conservative physicians out at AUGS want a registry listing all of the kits implanted and by whom. Also, most believe that too many physicians or 'inexperienced' physicians are implanting these devices and that is what is going to lead to market-wide trouble.

Data, like always, is going to be very important with these things. We as a division need to step it up in this department. We always release products with no data. This is an area where our competitors continue to beat us.

D) Urodynamics

II. SUGGESTIONS/SOLUTIONS

More data on products.

III. OPEN TERRITORIES / RECRUITING

The Birmingham, AL territory has turned. We will be welcoming Chris Hartley to the team in two weeks. He is an extremely impressive individual that was part of the C.R. Bard team with BET before the divestiture. We welcome him back home.

